Ciena Invests in U.S. Manufacturing with Flex to Support BEAD-funded Projects, Strengthen Domestic Supply Chain and Add High-Tech Jobs

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HANOVER, Md.--(BUSINESS WIRE)--Nov. 29, 2023-- Ciena® (NYSE: CIEN), a U.S.-based networking systems, services and software company, is adding domestic manufacturing through an expanded agreement with global diversified manufacturer Flex (NASDAQ: FLEX). Ciena is expected to begin production of the industry's first pluggable optical line terminals (OLTs) as well as its optical network units (ONU) at a Flex factory in the U.S. in mid-2024.

Advancing its commitment to roll out high-speed broadband to unserved and underserved communities, Ciena's investments will support the U.S. government's Broadband Equity Adoption and Deployment (BEAD) projects, create new jobs and help broadband service providers comply with the Build America, Buy America (BABA) requirements.

Under the terms of the agreement, Flex will provide advanced manufacturing capabilities, including specialized optical transceiver assembly, and supply chain services, enabling Ciena to quickly ramp high-volume production of its innovative pluggable OLTs and ONUs at scale. This U.S. expansion builds on a 20-year global relationship. As a result of its partnership with Flex, Ciena is positioned to enable U.S. network providers with greater ability to leverage the BEAD program to expand their local footprint and business opportunities.

Key Facts:

- Ciena has developed a unique and disruptive pluggable OLT technology that is designed and now, through its partnership with Flex, will be manufactured in America. A key enabling technology in next generation broadband deployments, Ciena's pluggable OLTs are part of a comprehensive broadband portfolio that includes access infrastructure, middle mile networks, and essential software and services.
- Adding to its existing portfolio of innovations that reduce the environmental impact of communication networks, Ciena's pluggable OLTs greatly increase network sustainability and efficiency by connecting more homes at higher speeds per unit of power and space than competing solutions. Additionally, Ciena's host routing platforms are already 25G ready, future-proofing service provider network investment without the need for hardware replacement, further maximizing the solutions' sustainable footprint.
- Ciena will also develop its next-generation 25GS-PON pluggable OLTs and ONUs in the U.S., providing a seamless evolution path for service providers to build open, modular, and scalable broadband networks.

Executive Comments:

- "As stewards of the digital networks that underpin our lives, we are excited to announce the first U.S.-based manufacture of our unique pluggable optical line terminal (OLT) solution. We take immense pride in advancing American innovation and strengthening domestic supply chains. We look forward to continuing to work closely with the NTIA and Department of Commerce to advance its mission to connect the unconnected and create greater opportunities for all communities."
  - *Gary Smith, President and CEO, Ciena*
- "Our expanded manufacturing agreement with Ciena is a testament to our mutual commitment to provide high-quality, reliable technologies that accelerate the ability to address America's next-generation broadband deployment needs. We appreciate the trust Ciena has placed in Flex through our 20-year partnership and look forward to quickly ramping in-region advanced manufacturing with sustainable practices."
  - *Rob Campbell, President of Communications, Enterprise and Cloud, Flex*
- "We applaud Ciena's shift towards U.S. manufacturing for their advanced optical technology and silicon solutions to further enable BEAD with BABA products. Coupled with Harmonic's market-leading virtual cOS™ core and Ripple outdoor nodes, Ciena's OLT pluggables are poised to enable 10G FTTx to millions of American homes from the more than 100K Harmonic nodes deployed in the U.S."
  - *Dan Gledhill, Senior Vice President, Broadband Business Operations, Harmonic*
- "At a time when connectivity is the lifeline for education, healthcare, and public safety, Zayo is taking decisive steps to close the digital divide and bring robust connectivity to underserved communities. We commend Ciena's plans to expand local manufacturing and their continued work to accelerate the roll-out of high-speed connectivity for unserved and underserved populations across America."
  - *Joel Daly, Senior Vice President of Government Affairs and Product Strategy, Zayo*

- “We are dedicated to making high-speed fiber connectivity available across the state of Maryland, closing the digital divide to deliver equal opportunities for all. Part of achieving this goal is to use best-in-class technology, something that Ciena has proven to deliver at the highest levels across the globe. We commend Ciena for their investment in the development of U.S. products which meet the Buy America guidelines required for BEAD funding. This will support our efforts to address the lack of broadband connectivity in under-connected areas.”
  - *Drew Van Dopp, President and CEO, Maryland Broadband*

Additional Resources:

- For more resources about Ciena’s efforts to support BEAD-funded projects and to learn more about the procurement, architecture, construction, and monetization approach to a successful broadband network deployment, visit Ciena’s Broadband Insights hub.
- Ciena has a long history in technology innovation and delivering world-first technology breakthroughs is part of the company’s DNA. From the industry’s first metro DWDM, to first coherent 40G, 100G, 200G, 400G, 800G and, more recently 1.6 Tb/s, Ciena is known for its leadership in optical technology.
- Ciena’s technology supports 85% of the world’s largest service providers as well as cloud and regional service providers, enterprise networks, financial services, healthcare, utilities, media and entertainment, and more.
- Ciena’s Digital Inclusion program includes a $10 million five year investment to unlock opportunities for underserved students through enhanced access, enabling technologies, and digital learning. Ciena collaborates with non-profit and charitable organizations in the U.S. and globally to advance this mission.

About Flex

Flex (Reg. No. 199002645H) is the manufacturing partner of choice that helps a diverse customer base design and build products that improve the world. Through the collective strength of a global workforce across 30 countries and responsible, sustainable operations, Flex delivers technology innovation, supply chain, and manufacturing solutions to diverse industries and end markets.

About Ciena

Ciena (NYSE: CIEN) is a global leader in networking systems, services, and software. We build the most adaptive networks in the industry, enabling customers to anticipate and meet ever-increasing digital demands. For three-plus decades, Ciena has brought our humanity to our relentless pursuit of innovation. Prioritizing collaborative relationships with our customers, partners, and communities, we create flexible, open, and sustainable networks that better serve all users—today and into the future. For updates on Ciena, follow us orLinkedIn, Twitter, the Ciena Insights blog, or visit www.ciena.com.

Note to Ciena Investors

You are encouraged to review the Investors section of our website, where we routinely post press releases, SEC filings, recent news, financial results, and other announcements. From time to time we exclusively post material information to this website along with other disclosure channels that we use. This press release contains certain forward-looking statements that are based on our current expectations, forecasts, information, and assumptions. These statements involve inherent risks and uncertainties. Actual results or outcomes may differ materially from those stated or implied, because of risks and uncertainties, including those detailed in our most recent annual and quarterly reports filed with the SEC. Forward-looking statements include statements regarding our expectations, beliefs, intentions or strategies and can be identified by words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "should," "will," and "would" or similar words. Ciena assumes no obligation to update the information included in this press release, whether as a result of new information, future events or otherwise.

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